



# CORPORATE AFFAIRS COMMISSION

Plot 420, Tigris Crescent, Off Aguiyi Ironsi Street, Maitama District, P.M.B. 198, Garki, Abuja

## RE: WHITHER CORPORATE AFFAIRS COMMISSION? AND RE: THE CAC AND EASE OF DOING BUSINESS

### A REJOINDER

The attention of the Corporate Affairs Commission has been drawn to the write-up published on page 14 of THISDAY newspaper of Wednesday, 14th July 2021 by a certain Sonnie Ekwowusi and captioned "WHITHER CORPORATE AFFAIRS COMMISSION?" as well as the newspaper's Editorial on page 15 of the Wednesday, 21st July 2021 edition captioned "THE CAC AND EASE OF DOING BUSINESS". Both publications insinuate poor service delivery and instigation of the crisis rocking Balogun Business Association by the Commission thus constituting an obstacle to the Federal Government agenda of promoting the ease of doing business in Nigeria.

Contrary to the misinformation contained in the publications, the Commission wishes to inform and clarify to its esteemed Customers, valued Stakeholders and the General Public as follows –

#### SERVICE DELIVERY

The Commission has always been a champion of service delivery to the commendation of successive administrations and had continuously pursued reforms that are customer-focussed by emplacing processes and frameworks that would stand the test of time in service delivery. In furtherance of this pursuit, the present Management of the Commission initiated the following reforms –

1. On Sunday, 3rd January 2021, the Commission deployed an upgraded Company Registration Portal (CRP). The upgraded CRP is an end-to-end electronic registration solution which allows accredited customers and the general public to initiate and complete registration and post registration applications electronically as well as generate outputs remotely. This digital solution was to improve access to and reduce timelines for the Commission's services while shrinking processes and standardizing service requirements. Notable features of the upgraded CRP include:

- integration of data submission and document upload for seamless transactions;
- recognition of electronic signature;
- e-certificates with Quick Response (QR) Code for instant validation; and
- e-certified extracts with updated information and QR Code for instant validation.

As is usual with every new electronic application, however, there have been observed challenges in the use of the upgraded CRP (technical and user proficiency/savvy) particularly because the Portal integrates the new and enlarged requirements of the Companies and Allied Matters Act 2020 (CAMA). A huge number of Public Users and Accredited Agents still struggle to understand the requirements of the new law with respect to existing and new processes. Over time though, these challenges have reduced and continue to reduce.

2. On Friday, 19th February 2021, the Commission introduced the Entity Electronic Account (EEA). The EEA is the online account that allows registered entities to submit documents and statutory returns to the Commission on the Company Registration Portal. The EEA aims to achieve for the registered entities, the following benefits amongst other:

- reduction in the cost of submitting documents and statutory returns to the Commission by making the use of accredited agents optional;
- reduction in service timelines through direct access to service; and
- elimination of signature for authentication of documents or returns submitted for filing.

Any information, document or return submitted through the EEA shall be deemed duly authenticated.

3. On Thursday, 8th July 2021, the Commission deployed an online Customer Support Center aimed at streamlining and tracking support requests from Customers for enhanced efficiency. Each support request is assigned a unique ticket number which may be used to track the progress and resolution of the request (complaint) online. Complete archives and history of all support requests by a Customer are available for reference.

4. The Commission published the Companies Regulations 2021 approved by the Honourable Minister of Industry Trade and Investment, Otunba Adeniyi Adebayo upon recommendation by the Commission after extensive engagement with stakeholders. The Regulations which came into force on 1st January 2021 is to complement the Companies and Allied Matters Act 2020 (CAMA) in the conduct and regulation of registration under the Act.

5. Through the Regulations, filing fees for registration of all entities under the CAMA were reduced by the elimination of fees hitherto payable by Customers to obtain certified true copies of documents at registration. Certified extracts of entities' information at registration are now issued by the Commission at no cost to Customers.

6. The Commission has provided its Approving Officers with modern working tools that enable them work from anywhere. Staff work even on weekends and public holidays

#### BALOGUN BUSINESS ASSOCIATION

The Commission is not unaware of the fact that the matter of Balogun Business Association

is currently sub judice. However, and without prejudice to the matter before the Court, it is imperative to provide the following clarification in order to dispel the misinformation contained in the published write-up.

On 3rd August 2020, the Commission received a petition by aggrieved persons alleging forgery of the Certificate of Registration of the above Association dated 3rd July 2018. Thereafter, two mediation meetings were held with the parties on 23rd February and 25th March, 2021.

After a proper investigation of the allegation and due consideration of the submissions of both the Petitioners and the Respondents, the following decisions actions/decisions were taken by the Commission:

1. The Certificate of Registration issued on 3rd July 2018 was revoked in accordance with Section 41 (7) of the Companies and Allied Matters Act, 2020. This was based on the unassailable facts that Chief Emmanuel Ohanugo and Alhaji Mogaji Mohammed died years before the purported meeting re-appointing them as trustees was held, while Mrs. Caroline Nwazojie had left Nigeria at least three (3) years before the date of the said meeting. These facts also cast doubts on the integrity of the procedure adopted in procuring the Certificate of Registration.

However, the revocation of the certificate was without prejudice to the acts of the following ex officio members of the Executive Council, namely: the President, the General Secretary as well as the Treasurer of the Association while in office and in line with the provisions of the Constitution of the Association as well as the law.

2. The Executive Council of the Association was dissolved in line with Article 8, Section 4 of the Constitution of the Association which provides for the dissolution of the Executive Council of the Association upon expiration of a three-year term of office. Members of the Executive Council were elected on 20th November 2017 and their term of office accordingly expired on 19th November 2020.

3. In line with Article 8, Section 5 of the Constitution of the Association, the ex officio members of the Executive Council (excluding the President, the Secretary-General and the Treasurer) were directed to constitute a Caretaker Committee to carry on the functions of the Executive Council pending the election of a new Executive Council. The Ex Officio members were Chief Okechukwu Ezeibe, Chief Nicholas Okeke, Mr. Ikechukwu Obiora and Mr. Okwudiba Anyaorah who were named, amongst others, as trustees on the Certificate of Registration issued on 3rd July 2018.

In line with Article 8, Section 4 (f) of the Constitution of the Association, the election of new members of the Executive Council was to be conducted by the Caretaker Committee (consisting of five financially up-to-date members of the Association who are not subjects of any disciplinary measures or proceedings of the Association and who are not officers of the dissolved Executive Council) within two (2) lunar months of the constitution of the Caretaker Committee.

4. The list of members of the Caretaker Committee as well as the Election Time Table was to be forwarded to the Commission immediately after the composition of the Caretaker Committee. In the same vein, the Commission was to be duly informed of the next General Meeting of the Association.

At the time the above actions/decisions were taken, there was no live issue before any Court as the only pending suit relating to the matter (i.e. Suit No. FHC/L/CS/1558/2019) had been withdrawn and discontinued by the Plaintiffs (who petitioned the Commission alleging forgery). This was done to facilitate an out-of-Court resolution of the matter.

It is also apposite to state that Appeals No. CA/L/CV/955/2020 and CA/L/CV/578/2020 derived their roots from Suit No. FHC/L/CS/1558/2019 (which had already been withdrawn and discontinued). It is trite law that the pending appeals filed in respect of the withdrawn Suit No. FHC/L/CS/1558/2019 had therefore become academic.

Currently, there are two separate suits (to which the Commission is a party) filed at the Federal High Court, Lagos and Federal High Court, Abuja. They are Suit No. FHC/L/CS/472/2021 and Suit No. FHC/ABJ/CS/451/2021 respectively. The two suits were filed after the Commission commenced the administrative resolution of this matter and the actions/decisions on it had been taken.

The publications are not only gross and deliberate misrepresentation of facts but also a disservice to the General Public who expect facts to be checked and cross-checked before publication. The writer and newspaper should have taken the pains to clarify the facts with the Commission before pushing such unsubstantiated claims into the public domain.

The Commission wishes to assure the general public that it remains committed to the ideals of integrity, transparency and accountability in the discharge of its statutory mandate.

Signed:  
Management